



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

file

REPLY TO THE ATTENTION OF:

LR-8J

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. William E. Murphie
Manager
Portsmouth/Paducah Project Office
U.S. Department of Energy
1017 Majestic Drive, Suite 200
Lexington, Kentucky 40513

Mr. W.A. Franz
Project Manager
LATA/Parallax Portsmouth, LLC
P.O. Box 855
Piketon, Ohio 45661

Re: Notice of Violation/Return to Compliance
RCRA Compliance Inspection
Portsmouth Gaseous Diffusion Plant
Piketon, Ohio
OH7 890 008 983

Dear Messrs. Murphie and Franz:

On June 22 and June 23, 2009, representatives of the U.S. Environmental Protection Agency and Ohio Environmental Protection Agency (OEPA) inspected your installation located at 3930 US Route 23 South, Piketon, Ohio. The purpose of the inspection was to evaluate compliance with certain requirements of the Resource Conservation and Recovery Act (RCRA); specifically, those regulations related to the generation, treatment and storage of hazardous waste. A copy of the inspection report is enclosed for your reference.

Based upon information provided by U.S. Department of Energy (DOE) and LATA/Parallax Portsmouth, LLC (LATA/Parallax) personnel, review of records, and physical observations by the inspectors, EPA has determined that DOE and LATA/Parallax violated a certain requirement of the Ohio Administrative Code (OAC) and the United States Code of Federal Regulations (CFR). We find that DOE and LATA/Parallax were in noncompliance with the following requirement:

- A large quantity generator storing containers of hazardous waste must comply with OAC Rule 3745-52-34(C)(1)(b) [40 CFR § 262.34(c)(1)(ii)], which requires that each

hazardous waste container, while being accumulated on-site, must be labeled with the words "Hazardous Waste" or with other words that identify the contents of the container. See, OAC Rule 3745-52-34(C)(1)(b).

During the inspection of Building X-627, the inspectors observed one 55-gallon container labeled "Trichloroethylene." The 55-gallon container was missing the words hazardous waste or other words identifying the contents as waste, as required by OAC Rule 3745-52-34(C)(1)(b). At the time of the inspection, DOE & LATA/Parallax, therefore, failed to comply with the above-referenced hazardous waste generator requirement. Later in the inspection, DOE and LATA/Parallax personnel provided the inspectors with a photograph of the 55-gallon SAA container in Building X-627, labeled "Waste Trichloroethylene." Based on this information, DOE and LATA/Parallax have resolved the violation of OAC Rule 3745-52-34(C)(1)(b) [40 CFR ' 262.34(c)(1)(ii)].

This letter is to inform you that EPA has reviewed the referenced information, and does not plan additional enforcement action at this time. This letter does not limit the applicability of the requirements evaluated, or of other federal or state statutes or regulations. EPA and the Ohio EPA will continue to evaluate DOE and LATA/Parallax in the future.

If you have any questions regarding this letter, please contact Walt Francis, of my staff, at (312) 353-4921.

Sincerely,

A handwritten signature in cursive script, appearing to read "Willie H. Harris".

Willie H. Harris, P.E.
Chief, RCRA Branch
Land and Chemicals Division

Enclosure

cc: Melody Stewart, OEPA – Southeast District Office

U.S. ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 W. JACKSON BOULEVARD
CHICAGO, ILLINOIS 60604

RCRA COMPLIANCE EVALUATION INSPECTION REPORT

FACILITY NAME: PORTSMOUTH GASEOUS DIFFUSION PLANT

FACILITY U.S. EPA ID NO.: OH7 890 008 983

FACILITY TYPE: Large Quantity Generator/Container Storage Facility

FACILITY ADDRESS: 3930 US Route 23 South
Piketon, Ohio 45661

U.S. EPA REPRESENTATIVE: Walt Francis

DATE(S) OF INSPECTION: June 22nd and June 23rd, 2009

SIC CODE: 2819 - Industrial Inorganic Chemicals, Not Elsewhere
Classified

NAICS CODE: 325188 - All Other Basic Inorganic Chemical
Manufacturing

PREPARED BY: Walt Francis
Walt Francis
Environmental Scientist

7/8/09
Date

ACCEPTED BY: Paul Little
Paul Little, Chief
Compliance Section 2
RCRA Branch

7-15-09
Date

Purpose of Inspection

The purpose of this inspection was to conduct a Compliance Evaluation Inspection (CEI) at the U.S. Department of Energy Portsmouth Gaseous Diffusion Plant (Portsmouth), Piketon, Ohio to determine its compliance with the Resource Conservation and Recovery Act (RCRA), the Ohio Administrative Code (OAC), and the RCRA Permit requirements with respect to U.S. DOE's management of hazardous waste, universal waste and used oil.

Participants

U.S. Environmental Protection Agency (U.S. EPA) Inspector -
Walt Francis, Environmental Scientist

Ohio Environmental Protection Agency (Ohio EPA) Inspector -
Melody Stewart, Hazardous Waste Inspector

Representatives of U.S. DOE, LATA/Parallax, and Theta/Pro2Serve Management Company (TPMC) -
Melda Rafferty, U.S. DOE
Rosemary Richmond, LATA/Parallax Portsmouth, LLC
James Tomlin, Theta/Pro2Serve Management Company

Site Description/Background Information

Historically, the main function of the Portsmouth facility was to enrich uranium for military use (nuclear submarines) and commercial reactors through a gaseous diffusion process. This involved the separation of U235 from the U238 isotope in uranium hexafluoride (UF6) feedstock which contains 0.711% U235. The Plant had produced enriched uranium continuously since September 1954. In 1993, the uranium enrichment facilities at the plant were leased to the United States Enrichment Corporation (USEC). U.S. DOE retained ownership of the ongoing site environmental restoration program as well as two permitted hazardous waste storage facilities.

Numerous other activities associated with the plant's main function also occur on-site and are leased by USEC. These include decontamination of equipment and uranium recovery (X-705 Bldg.); chemical cleaning of equipment (X-700); maintenance crafts, including paint, sheet metal, machining, valve, compressor, welding, electrical, motor rewind, metallurgy, instruments and carpentry (X-720); laboratory services (X-710); wastewater treatment (X-6619); water treatment (X-611); chromium removal (X-616); uranium operations, fluorine generation and cylinder handling (X-344); photo and printing lab (X-100); vehicle repair (X-750); coal pile runoff treatment (X-621); and electrical and utilities system.

Hazardous waste and mixed waste which was generated from the gaseous diffusion and associated processes leased by USEC is stored in U.S. DOE owned and permitted storage

facilities. Waste generated by U.S. DOE and LATA/Parallax from the environmental restoration is also stored in these facilities. USEC also generates non mixed radioactive hazardous waste which is shipped out of Building XT-847. USEC ceased the enrichment process in May 2001.

Uranium contaminated hazardous wastes (mixed waste) which were/are generated by USEC and U.S. DOE are stored on-site in U.S. DOE-owned and operated hazardous waste container storage facilities for longer than one year. Historically, this was due to the limited number of treatment, storage and disposal (TSD) facilities in the United States which could accept mixed waste, and a May 1991 U.S. DOE moratorium on off-site waste shipment. A large percentage of the waste generated at Portsmouth is U.S. DOE-generated mixed waste from the site-wide cleanup activities. This is also stored in U.S. DOE-owned storage areas. U.S. DOE sends some waste off-site (to U.S. DOE Oakridge) for treatment prior to final disposal. Treatment residuals are returned to U.S. DOE - Portsmouth for storage in the interim prior to their final disposal.

U.S. DOE/LATA Parallax generated hazardous wastes are primarily shipped to Energy Solutions, Clive, Utah, Perma-Fix, Gainesville, Florida, and Diversified Scientific Services, Inc. (DSSI), Kingston, Tennessee. In addition, a wide variety of radioactive and other nonhazardous wastes are generated as a result of the above processes. UDS is working on a project to recover material from depleted uranium hexafluoride cylinders.

Opening Conference

On June 22, 2009, Walt Francis and Melody Stewart arrived at Building X-1000 at approximately 8:00 a.m. and informed the U.S. DOE and LATA/Parallax representatives of the nature, scope, and procedures for the RCRA inspection. The inspection was conducted by U.S. EPA and OEPA personnel as a Federal lead inspection. The facility representatives provided the team with a brief update of the facility since the last inspection. Ms. Rosemary Richmond allowed the inspectors access to the facility to conduct the inspection.

Site Tour

The walk-through began in Building X-720 where TPMC maintains a universal waste lamp accumulation area. The inspectors observed several containers of used fluorescent lamps. The inspection continued to Building X-700, where Mr. James Tomlin showed the inspectors several satellite accumulation area (SAA) containers, several containers of used oil and an area for accumulation of universal waste. Inspector Francis observed three SAA containers: a 30-gallon container labeled "Rags/Paint Debris"; a 10-gallon container labeled "Aerosol Cans"; and a 5-gallon container labeled "Paint and Solvents". The universal waste area included containers of used circuit boards, used batteries and used fluorescent lamps. Inspector Francis observed that the boxes of used fluorescent lamps were labeled with a "6/11/2009" accumulation date. Inspector Stewart located a spill control kit in the Paint Shop area. The inspection continued to Building X-623 where Mr. Greg Thompson showed the inspectors where U.S. DOE maintains a less than 90 day hazardous waste accumulation area and a SAA for waste TCE. Inspector

Francis observed that the hazardous waste less-than-90 day area did not contain any containers of hazardous waste. The inspectors also reviewed the weekly inspection logs for Building X-623. The inspection continued to the X-701B area where U.S. DOE maintains a less than 90 day accumulation area. The inspectors observed an emergency response spill kit and a weekly inspection log. The walkthrough continued at Building X-627 where Mr. Greg Thompson showed the inspectors a 55-gallon SAA container. Inspector Francis observed a 55-gallon container that was labeled Waste "PPE/Bag Filters F001". The inspection continued to Building X-624 where U.S. DOE maintains a SAA container. The inspectors observed a 55-gallon container of PPE, filters and debris. Inspector Francis observed a 55-gallon container labeled "TCE" which was connected to the groundwater pump and treat system. The walkthrough continued at Building X-345, where Ms. Bridgette Eslinger showed the inspectors an empty SAA area and explained the small cylinder processing procedure. The walkthrough continued to Building X-770, where the inspectors observed a less-than 90 day hazardous waste accumulation area, which was empty and then to Building X-334. At Building X-334, Mr. Doug Questa showed the inspectors a universal waste accumulation area, which contained used batteries, and used fluorescent lamps,

The inspection continued at Building X-624 where U.S. DOE maintains an SAA area for "PPE/Filters F001". The inspection continued to the west L-Cage area in Building X-326. Inspector Francis observed approximately thirty 55-gallon containers labeled "Gunk D007/D008 3/3/1992" and approximately twelve 55-gallon containers labeled "Ash D006/D007/D008/D009/D011 3/3/92". The walk-through continued to Area #1, which was empty and then to Area 5, and then to Area 2. The inspection continued to Area 4, and then to an SAA in Building X-326. The inspection continued to an SAA in Building X-330 and then to an SAA in building X-333.

The inspectors then returned to Building X-1000 to review records.

Records Review

A record review was conducted. The inspection team requested to review hazardous waste manifests, land disposal restriction forms, mixed-waste shipment documentation, universal waste and used oil shipping records, personnel training information, weekly inspection logs, waste profiles for hazardous waste in storage, and the latest version of the contingency plan. The inspectors reviewed hazardous waste manifests since the date of the last inspection, two years of personnel training records, waste profiles, and weekly inspection logs. The inspectors reviewed a Contingency Plan that was last updated on June 20, 2007.

Closing Conference

The inspectors conducted a closing conference. Inspector Francis explained that he would review his notes from the inspection, and generate an inspection report. U.S. DOE and LATA/Parallax would then receive a letter from U.S. EPA regarding the inspection including a

copy of the inspection report, and completed inspection checklists. Inspector Francis said that during the inspection of Building X-627, he observed an SAA container labeled "TCE", not "Waste TCE". Inspector Stewart said that the weekly inspection logs should include SAA spill kits.

Attachments

Inspection Checklists.

